

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Serial No.: 09/611,548 Confirmation No.: 6763
Applicant: Douglas G. Lowenstein, et al.
Title: FINANCING OF TENANT IMPROVEMENTS
Filed: July 7, 2000
Art Unit: 3692
Examiner: S. Chencinski

Atty. Docket: 114595-02
Customer No. 38492

SUMMARY OF INTERVIEWS

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

BACKGROUND CONTEXT – PROSECUTION HISTORY TO DECEMBER 2005

1. Three separate claim limitations of claim 56 (SPE “owns the lease,” SPE is “owned by the landlord,” debt is “non-recourse with respect to the asset”) were effectively ignored in five consecutive Office papers.
2. A previous examiner, in Office papers of January 17, 2002, January 29, 2003, and November 22, 2004, raised over sixty assertions of Official Notice, including three assertions against three entire paragraphs of claim 56. Applicant timely and specifically traversed under 37 C.F.R. § 1.104(d)(2). See Applicant’s papers of 6/24/2002, 3/31/2003 and 4/30/2004. In an interview of April 14, 2003, the examiner conceded that he had no basis whatsoever to believe that the Officially Noticed “facts” were “capable of instant and unquestionable demonstration as being well known.”

I certify that this correspondence, along with any documents referred to therein, is being deposited with the United States Postal Service on February 26, 2007 as First Class Mail in an envelope with sufficient postage addressed to Mail Stop Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

3. A new examiner was appointed. The first two papers by the new examiner **ignored the same claim language in fourth and fifth papers**. For example, in the examiner's papers of 10/20/2005: three entire paragraphs of claim 56 were totally omitted from consideration – there is neither comparison to any reference nor any explanation for disregarding the claim language. Thus, as of December 2005, the Office had failed to consider the language of claim 56 on four occasions, and had failed to “answer all material traversed” on three occasions.

SUMMARY OF INTERVIEW OF DECEMBER 19, 2005

4. A telephonic interview was held December 19, 2005 among the undersigned attorney, Examiner Chencinski as assistant examiner, and Examiner Frantzy Poinvil as primary examiner. Examiner Poinvil provided the first explanation in the entire prosecution history for any reason to disregard language of claim 56:

Examiner Poinvil: If I were examining this claim, I would not give weight to [method step]. It's functional language.

This Attorney: This is a method claim. There's never been a rule that “functional” language can be disregarded in a method claim. Even the rule about functional language in apparatus claims was overruled 20 years ago. Let's look that up in the MPEP...

Examiner: Well, it's not entitled to weight. It's non-functional language.

Examiner Poinvil characterized the same claim language in **two diametrically opposite** statements less than two minutes apart.¹ Examiner Poinvil made no attempt to reconcile his two diametrically-opposite statements.

5. The interview lasted about an hour. During this time, Examiner Poinvil stated between four and six reasons for denying weight to certain claim language. In each case, this attorney asked Examiner Poinvil to identify where his proposed reason was stated in the MPEP or in any other written document. In each case, Examiner Poinvil was forced to admit that his view of the law had no basis in any written document.

¹ The transcript of the conversation is believed to be a near-verbatim report of Examiner Poinvil's literal words – this summary is being prepared from notes that were prepared within a day of the interview.

6. Correcting Examiner Poinvil's erroneous views of the law took something over an hour. At the end of that time, Examiner Poinvil conceded that very single point that he had raised had been wrong, and that all claim language was entitled to weight.

7. The interview was now ready to turn to comparing the claim limitations that had been omitted from consideration by the Office to the Little reference, the topic on which the interview was originally sought. Examiners Poinvil and Chencinski insisted that they had no more time, even though this attorney pointed out that the preceding hour had been wasted solely because of errors made by Examiner Poinvil. The examiners nonetheless refused to allow the interview to proceed on the topic for which it had been requested.

8. Examiners Poinvil and Chencinski promised that the Office's fifth paper would address the claim language that had been omitted from the Office's previous four, if that language was discussed in Applicant's next paper. This promise was made in writing (See Examiners' Interview Summary mailed 12/21/2005).

PAPERS OF APRIL AND AUGUST 2006

9. Applicant's papers of 1/20/2006 again discussed the same claim language that had been omitted from all previous Office papers, and invited the examiner to compare this claim language to the references.

10. The Office's fifth paper, 4/20/2006, signed by Primary Examiner Frantzy Poinvil, is **dead silent** on the same claim language of claim 56 **for the fifth time**. Examiner Poinvil broke his promise of December 19, 2005.

11. In a telephone interview of 7/11/2006, Examiner Chencinski promised that if Applicant discussed the omitted claim language in papers, the Office's next paper would consider it.

12. Applicant filed further papers inviting the Examiner to consider the omitted claim language on July 20, 2006.

13. An Advisory Action of August 30, 2006 signed by Examiner Frantzy Poinvil, asserts that the Examiners will **never** discuss the omitted claim language in this application – to have claim language considered that has been pending since original filing, Examiner Poinvil insists that an Appeal or RCE be filed. In this paper, Examiner Poinvil expressly renounces his

earlier promises to discuss the omitted claim language. Where MPEP § 707.07(f) requires an examiner to “answer all material traversed,” Examiner Poinvil’s Advisory Action asserts that he need not and will not do so. Examiner Poinvil identifies no written document that creates any exception to MPEP § 707.07(f); from all that appears in the record, Examiner Poinvil made up an exception out of thin air.

14. In a discussion with Supervisory Examiner Richard Chilcotte in about September or October of 2006, SPE Chilcotte withdrew finality of the Action of 4/20/2006, and promised that a complete Office Action would be forthcoming.

15. This attorney learned that Examiner Chencinski was taking up the application for further consideration in late October 2006. In a productive interview with Examiner Chencinski (Examiner Poinvil was not present), Examiner Chencinski agreed that the claims as they had been pending for six years were patentable over the art, based on the claim language that had been ignored in five previous papers.

16. In an email of October 26, 2006, Friday at 6:57 PM, Examiner Chencinski informed this attorney that all claims were allowed on the merits, however, all claims were to be rejected under § 101 and § 112 ¶ 2.

17. In emails of Sunday, October 29 and Monday, October 30, 2006, this attorney reminded Examiner Chencinski and Supervisory Examiner Chilcotte that § 101 issues² had been raised and resolved twice before. Applicant’s emails requested that before any § 101 issue was raised for a third time, that the Office take care to set forth the specific showings required by MPEP § 2016. The emails specifically requested as follows:

... For step 1, be sure to precisely identify any “law of nature, natural phenomenon, or abstract idea” so the rest of the analysis of that portion of the claim makes sense. For step 2, please be sure to identify any basis to believe that the “performed on a computer” language is insufficient to establish the “application” prong of step 2, in spite of the Office’s precedent. Please be sure to explain why whatever you identify as a “law of

² Applicant notes that all papers issued by the Office have been too incomplete to raise any rejection, or to constitute either a first action on the merits under either 37 C.F.R. § 1.104 or a “notification under [35 U.S.C.] § 132” which requires “stating the reasons for such rejection ... together with such information and references as may be useful in judging the propriety of continuing the prosecution of his application.” Because the Office has never stated “reasons” or provided the “information” required of § 132, the patent term protections of § 154(b)(1)(A)(i) continue to run.

nature, natural phenomenon, or abstract idea” is unlike the “share price” in *State Street* or the “PIC indicator” in *AT&T*, both of which were held to be “useful, concrete and tangible.”

I think the claims are allowable - at least on § 101 issues - as they are. If they aren't, please make a complete showing. I'm sure you'll understand that after 6 years, it's not appropriate to raise a totally new rejection without a fully-considered basis stated on paper.

PAPER OF NOVEMBER 1, 2006

18. A **Sixth** Office paper was issued November 1, 2006. As discussed more fully in another paper filed herewith, this paper repeats the pattern: it is **dead silent** on every relevant issue, and it entirely ignores claim limitations. The November 2006 paper violates the requirement to MPEP § 2106, that “The office action should clearly communicate the findings, conclusions and reasons which support them.” It does not identify any particular language as “abstract.” It makes no showing that the “computer” recited in the independent claims is not “useful, concrete and tangible.” It contains no discussion of *State Street* or *AT&T*. Supervisory Examiner Chilcotte signed the paper of November 1, 2006. He broke his promise that the next Office paper would be complete.

SUMMARY OF INTERVIEW OF DECEMBER 13, 2006³

I. Preliminary Agreements – Agreements that Would Later Be Renounced by Examiner Poinvil

19. Applicant asked about the claim language “originating a lease” that is proposed in the Office’s paper of 11/1/2006 as being “useful, concrete and tangible.” In view of Examiner Poinvil’s history of changing position and renouncing agreements, this attorney recognized that it was essential to get an absolutely unambiguous agreement. This attorney asked the question in several different ways, to make sure that the Examiner Poinvil’s position was unambiguous. Examiner Poinvil gave an unqualified and unambiguous agreement that the single step “originating a lease” was “useful concrete and tangible,” independent of other steps. (Examiner

³ This summary of the Interview of December 2006 is prepared from extensive notes, in many cases a verbatim or near-verbatim transcript, prepared at the time of the interview.

Poinvil renounced this agreement, and took the 180° opposite position, less than an hour later, see ¶ 31.)

II. Section 112, paragraph 2 – Examiner Poinvil Makes Up New Requirements for Patentability

20. This attorney asked what the requirements of § 112 ¶ 2 are: how many exist, how they relate to each other, and which one was invoked by the Office's paper. Neither Examiner Poinvil nor Examiner Chencinski were aware that there are two separate requirements of § 112 ¶ 2. (MPEP § 2171). After this attorney gave a hint, that there are two requirements, neither was able to name them.

21. This attorney pointed the examiners to MPEP § 2171, 2172.01, 2164.08(c) and similar sections that clearly separate the different prongs of § 112 ¶ 2 and specify the minimum requirements for "omitted language" rejections. This attorney read the relevant provisions of the MPEP aloud. Even after the MPEP was read aloud, Examiner Poinvil insisted on mixing up the two requirements that the MPEP insists must be kept separate: he stated "it [the claim] is indefinite because it is incomplete," and "If the claim is incomplete, it is indefinite." Examiner Poinvil refused to acknowledge that the MPEP gives mandatory guidance on the issue. Examiner Chencinski stated that he would research the issue.

III. The Legal Definitions of the Terms "Abstract" and "Useful, Concrete and Tangible," and Identification of Any Language in Any Claim Considered "Abstract" – Examiner Poinvil Concedes He Is Unable to Apply the Law

22. Examiner Poinvil reiterated several times during the interview that he did not understand § 101, and instead was relying solely on his personal view of the legal standard for patentable subject matter. He admitted that his personal view was unavailable to the public, existed nowhere in any written document, and that his personal view differed from the view of other examiners. He admitted on several occasions that he could not articulate his view of the definition of "abstract" or "useful, concrete and tangible," could not articulate his standard for patentable subject matter or otherwise provide guidance on what claim language would or would not meet his personal view. He conceded that he was unaware of and would not apply any Supreme Court, Court of Appeals, or Board of Patent Appeals definition of the term, but rather

insisted that he would enforce purely his personal impression. This attorney observed that Examiner Poinvil was asking for compliance with an invisible and unknowable standard, that Examiner Poinvil could change at any time, and Examiner Poinvil did not disagree.⁴

23. This attorney noted that the Board had used a definition “exists only in the mind,” or “pure number.” Neither examiner was willing to acknowledge that this would be a proper definition of “abstract.” Examiner Poinvil explained that he perceived no clear guidance from any PTO source on § 101, and that he therefore would give no weight to any court or Board decision. He criticized this attorney for relying on “just case law.” This attorney asked what alternative exists to case law when the MPEP does not state a definition of “abstract” or “useful, concrete and tangible.” Examiner Poinvil was unable to answer this question. Examiner Poinvil stated several times in several ways that he does not seek or accept guidance from Board or Federal Circuit decisions. When asked for any written support for his view of the law, he – unlike Examiner Chencinski – refused to even acknowledge that he had any duty to support his legal conclusions. Instead, he flatly refused and threatened to end the interview.

24. Examiner Poinvil stated that he gave absolutely no weight to Board decisions not published in the USPQ, and he refused to consider the holding or reasoning of any such decision.⁵ In light of that statement, this attorney suggested that the examiners consider *Ex parte*

⁴ This violates both the Due Process clause of the Fifth Amendment to the United States Constitution and the administrative law. “The examiner cannot sit mum, leaving the applicant to shoot arrows into the dark hoping to somehow hit a secret objection harbored by the examiner.” *In re Oetiker*, 977 F.2d 1443, 1449, 24 USPQ2d 1443, 1447 (Fed. Cir. 1992) (Plager, J. concurring); “[T]he establishment of written, objective, and ascertainable standards is an elementary and intrinsic part of due process.” *Lightfoot v. District of Columbia*, 339 F.Supp.2d 78, 89 (D.D.C. 2004).

⁵ Examiner Poinvil’s insistence that he may make up his own rules, and is free to overrule or maintain ignorance of the Board’s precedent, is wrong. An agency departing from its precedent must provide “a reasoned analysis indicating that prior policies and standards are being deliberately changed, not casually ignored.” *Ramaprakash v. Federal Aviation Admin.*, 346 F.3d 1121, 1124 (D.C. Cir. 2003) (now Chief Justice Roberts, J.). “An agency’s failure to come to grips with conflicting precedent constitutes an inexcusable departure from the essential requirement for reasoned decision making.” *Ramaprakash*, 346 F.3d at 1125; *Int’l Assn. of Bridge, Structural and Ornamental Iron Workers, Local 111 v. Nat’l Labor Relations Bd.*, 792 F.2d 241, 247-48 (D.C. Cir. 1986) (“The purpose for the APA requirement that there be included ... ‘conclusions, and the reasons or basis therefor ...’ is to impose a discipline on the agency itself, assuring that it has undergone a process of reasoned decision making rather than haphazardly reached a result... [I]t was unquestionably incumbent on the [agency] to explain why it did not consider its decision a departure from the principles established in its prior cases, or why it considered a departure appropriate”); *Marco Sales Co. v. F.T.C.*, 453 F.2d 1, 7 (2d Cir. 1971) (“There

Lundgren, 76 USPQ2d 1385 (BPAI 2005) (*en banc*).⁶ Examiner Poinvil flatly refused to consider *Lundgren*, less than one minute after admitting that he had to consider Board cases published in the USPQ:

Applicant's attorney: Let's go with *Lundgren*, since we're right on that point. That's an *en banc* decision that's published in the [USPQ]. Right?

Examiner Poinvil: Mr. Boundy, look, I think we better end this.

At this point in the conversation, after more than half an hour of asking, neither Examiner Poinvil nor Examiner Chencinski had been able to identify any legally-relevant definition of "abstract," neither had identified any "abstract principle" relevant to the claims, and neither had identified any claim language thought to be "abstract." The only consideration given any legal principle was Examiner Poinvil's threat to end the interview if he was forced to consider the law.

25. When this attorney noted that the entire purpose for the interview was to fill in omissions from the papers, Examiner Poinvil withdrew his threat to end the interview – briefly.

IV. The Apparatus Claims Under § 101 – Examiner Poinvil Makes Up New Requirements for Patentability

26. Examiner Poinvil described his view of claim 28, one of the apparatus claims. "All you have is a computer that is prompting a user what action to perform." This attorney asked why a computer prompting a user is different than the host of cases that have held that merely displaying data on a display was sufficient to satisfy § 101.⁷ Examiner Poinvil again threatened to end the interview if he had to consider the law. Examiner Poinvil did not deny that he was making up rules out of thin air.

may not be a rule for Monday, another for Tuesday ... That an administrative agency is obligated to provide ... an explanation for the difference in ... treatment is well established."); *Greater Boston TV Corp. v. FCC*, 444 F.2d 841, 852 (D.C. Cir. 1970) ("An agency changing its course must supply a reasoned analysis indicating that prior policies and standards are being deliberately changed, not casually ignored...")

⁶ The relevant claim language at issue in *Lundgren* is almost word-for-word identical to the definition of "lease" in the relevant dictionaries.

⁷ Examples include *In re Alappat*, 33 F.3d 1526, 1540-45, 31 USPQ2d 1545, 1544-58 (Fed. Cir. 1994) (*en banc*); *In re Freeman*, 573 F.2d 1237, 1245, 197 USPQ 464, 471-72 (CCPA 1978); *Ex parte Pomerance*, <http://www.uspto.gov/go/dcom/bpai/decisions/fd061523.pdf>, 2006 WL 2556855 (BPAI Aug. 31, 2006) (process including "displaying" "performed at a computer" by a human is "useful, concrete and tangible").

27. Examiner Poinvil explained that he objected to certain claim language in claim 28 as “non-essential descriptive material.” This attorney quickly confirmed on Google that the terms “non-essential descriptive material” and “essential descriptive material” exist nowhere in the law, and so informed the examiners. This attorney asked that Examiner Poinvil stop making up new legal concepts out of thin air, and limit his consideration to the ones that exist in writing.

28. This attorney asked “Why is the final language [of each claim] ‘performed on a computer’ not sufficient?” Examiner Poinvil expressed the opinion that steps performed on a computer were “abstract” if the computer was not itself doing the leasing. Examiner Poinvil was unable to identify any case, MPEP instruction or other authority that supported his view. This attorney emailed *Ex parte Pomerance*, Appeal No. 2006-1523 (BPAI. 2006), which holds that steps merely performed by a user “on a computer” rather than “by a computer” are “useful, concrete and tangible.” Examiner Poinvil refused to read it during the interview or acknowledge the authority of the Board, and declined to identify any legal support for his view of the law. Instead he required a change of topic.

V. Claim Interpretation – Examiner Poinvil Declines to Interpret Claims As Understood By Those of Ordinary Skill

29. Examiner Poinvil stated that he believed “leasing” meant “just giving instructions on a piece of paper, but there are no actual steps.” Examiner Poinvil stated that “You can have a lease as just a piece of paper. And if you don’t do anything with the lease, if you don’t pay any exchange or money, to me nothing has been done in the real world.”

30. A number of times he stated that his principle of claim interpretation was “What I see when I read these claims...” and “What I see when I look at these claims...” or “My interpretation of claim 1...” Examiner Poinvil expressly declined to point to any support for his claim interpretations from any written document, and refused to accept legal definitions from relevant documents used in the art when they were offered.

VI. Proposed Amendments – Examiner Poinvil Makes Up New Requirements for Patentability

31. This attorney proposed amending the claims to recite “originating a lease,” based on the unambiguous and unqualified agreement obtained earlier from Examiner Poinvil (see ¶ 19

of this Summary). Examiner Poinvil renounced the unqualified agreement reached less than an hour earlier, and reversed position – he now asserted that “originating a lease” was “abstract.”

32. Examiner Poinvil proposed adding language relating to monthly rent payments. This attorney suggested that the amendment could be made in one part of the claim, the point at which it logically belongs. Examiner Poinvil insisted that the language must be added as a separate method step, and must be at the end of the claim. This attorney asked what written standard Examiner Poinvil was relying on, under which claim language would be “useful concrete and tangible” in one part of a claim but “abstract” elsewhere in the same claim. This attorney asked Examiner Poinvil to explain how his insistence on an illogical ordering was consistent with the requirement for “logical order” stated in the Office’s November 2006 paper. Examiner Poinvil again refused to acknowledge that he was required to have written authority to support any requirement he might raise. He refused to explain the apparent inconsistency in his positions. Instead, he replied “Let’s end this conversation.” He refused to identify any authority that would permit him to make such a requirement, and made no offer to confirm that such authorization exists. Examiner Poinvil was given an opportunity to explain that he was not making up rules out of thin air; he instead insisted on not discussing the topic.

VII. Promised Next Steps – Promises that Would Later Be Broken

33. Examiner Chencinski conceded that “The quality of the Office Action” required a supplement, particularly with respect to the apparatus claims.

34. Examiner Chencinski promised that if Applicant submitted a proposed amendment by the end of the day (December 13, 2007), the amendment would be promptly considered, and that he would phone to continue the interview with an eye toward reaching agreement.

PROPOSED AMENDMENT OF DECEMBER 13, 2007

35. This attorney provided a proposed amendment at 9:13 PM on December 13, 2007. Proposed claim amendments were based on language that had been agreed to be “useful, concrete and tangible” in the interview, in the precise form requested by Examiner Poinvil.

36. This attorney also provided a cover email discussing several recent decisions of the Board of Patent Appeals and Interferences, and the analogies between those cases and the claims of this application.

37. This attorney asked for a prompt response, so that if no agreement was reached, a proper interview summary could be prepared. This request was made in writing by email.

38. The promised prompt call to continue the interview was never received.

INTERVIEW OF JANUARY 12, 2007

39. In a brief telephone call on or about January 12, 2007, Examiner Chencinski acknowledged that the Office's paper of 11/1/2007 was incomplete, and that further explanation of his position would be required before prosecution could meaningfully advance. Examiner Chencinski indicated that he believed that the Office was not inclined to allow the claims proposed on December 13, 2006 – that is, the examiners had entirely reneged on their own proposed claim language was “useful concrete and tangible,” and had disavowed the proposal that they themselves had put forward to overcome any § 101 problem.

40. Examiner Chencinski stated that Examiner Poinvil does not know the law of § 101, and does not rely on any written document stating any legal standard for “abstract.” Examiner Chencinski explained that Examiner Poinvil relies on his personal view instead of any published statement.

41. Examiner Chencinski indicated that his art unit or Technology Center were deliberately stalling allowance of applications.

Respectfully submitted,

Dated: February 26, 2007

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